# REDEVELOPMENT AGENCY
John Nowak

MISSION STATEMENT

The County's Redevelopment Agency serves to improve economic opportunities and affordable living conditions within established redevelopment project areas in the unincorporated County, through the effective and efficient utilization of California redevelopment law, appropriate use of tax increment revenues, and cooperative programs with other County agencies and communities.

ORGANIZATIONAL CHART
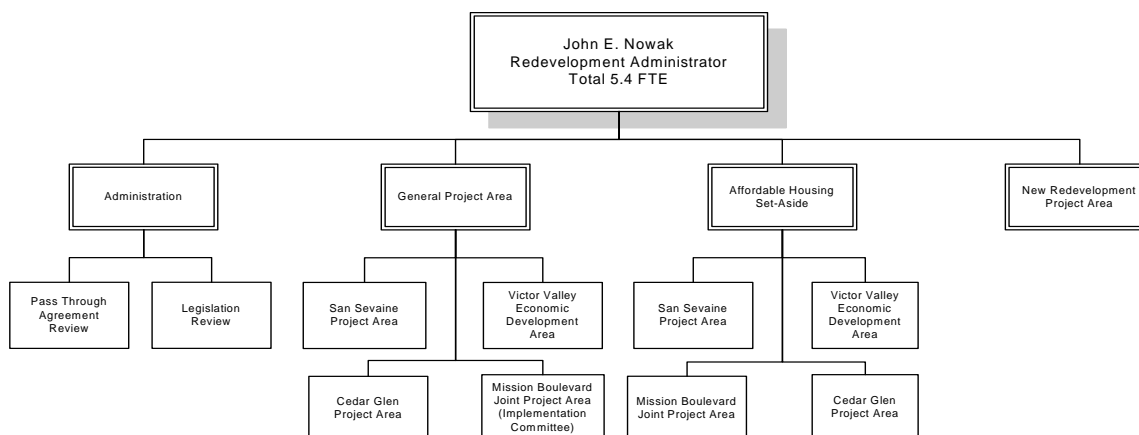
SUMMARY OF BUDGET UNITS

	2004-05			
	Appropriation	Revenue	Fund Balance	Staffing
Operating Fund	7,113,260	1,960,300	5,152,960	5.4
Housing Fund	4,620,123	877,600	3,742,523	-
Debt Service Fund	5,230,185	4,281,000	949,185	-
RDA Capital Projects	4,349,190	74,000	4,275,190	-
RDA Housing Projects	256,870	4,350	252,520	-
VVEDA	556,722	43,000	513,722	-
VVEDA Housing	275,391	48,000	227,391	-
Cedar Glen Operating Fund	145,878	145,878	-	-
Cedar Glen Housing Fund	54,341	54,341	-	-
Mission Blvd Housing Fund	7,315	7,315	-	-
TOTAL	22,609,275	7,495,784	15,113,491	-

DESCRIPTION OF MAJOR SERVICES FOR ALL BUDGET UNITS

The Redevelopment Agency of the County of San Bernardino was established in 1980 under the California Community Redevelopment Act. Although a study was made at that time to assess the feasibility of establishing one or more redevelopment project areas, no projects were created. However, the proposal to build a speedway on a portion of the site once occupied by the Kaiser Steel Plant near Fontana stimulated new interest in redevelopment. As a result of that interest, in 1995 the entire former Kaiser site and other blighted industrial property in its vicinity were incorporated into a project called the San Sevaine Redevelopment Project. The major objectives of the project are to encourage private sector investment in the development and redevelopment of the area by removing impediments to growth, eliminating and/or preventing the spread of blight and deterioration, and correcting infrastructure deficiencies. An amendment to the San Sevaine Project Area is being prepared to expand the area by approximately 50% and for other administrative changes. The amendment is scheduled for adoption in November 2004.

In 1993 the Victor Valley Redevelopment Project was established for the purpose of providing economic development to the former George Air Force Base. The Project Area was a joint project of the Cities of Adelanto, Hesperia, Victorville, the Town of Apple Valley, and the County of San Bernardino. The Project is under the direction of the Victor Valley Economic Development Authority (VVEDA) and is administered by the City of Victorville. The county receives a portion of the tax increment generated within the unincorporated area of the project, which is accounted for in two new budget units created for 2003-04.

In 2003 the County of San Bernardino approved the Mission Boulevard Joint Redevelopment Project Area, a joint Area with the City of Montclair. Pursuant to the terms of the Redevelopment Plan and a Cooperation and Implementation Agreement the City of Montclair will have the administrative responsibility of managing the general redevelopment activities. The County and the City will each administer the housing set-aside funds generated in each jurisdiction's territory.

In 2004 the Cedar Glen Disaster Plan Redevelopment Project Area was initiated to assist with the rebuilding of part of the area destroyed by the 2003 Old Fire. Pursuant to disaster related authorization, the Project Area will become effective in August 2004 using the special temporary assessments established for the FY 2003-04 as the base year. This operating fund was created to account for the Redevelopment Agency's administrative functions, including staffing requirements.

Operating Fund

DESCRIPTION OF MAJOR SERVICES

This operating fund was created to account for the Redevelopment Agency's administrative functions, including staffing requirements.

BUDGET AND WORKLOAD HISTORY

	Actual 2002-03	Budget 2003-04	Estimate 2003-04	Proposed 2004-05
Total Requirements	365,104	7,071,747	2,242,203	7,113,260
Total Financing Sources	2,274,439	1,586,200	1,909,616	1,960,300
Fund Balance		5,485,547		5,152,960
Budgeted Staffing		2.9		5.4
Workload Indicators				
General				
Number of pass-through agreements reviewed/modified	-	-	-	4
New Project Areas created	-	-	-	3
Community information newsletters/meetings on redevelopment	-	-	-	3
	-	-	-	
Project Area Activites	-	-	-	
Plan amendments completed	-	-	-	1
Economic plans completed	-	-	-	2
Business assistance loans and/or grants completed	-	-	-	4
Project Area development standards prepared & adopted	-	-	-	2
Development plans reviewed	-	-	-	40
Marketing projects undertaken	-	-	-	5
	-	-	-	
Affordable Housing Activites	-	-	-	
Housing implementation plans completed	-	-	-	4
Affordable housing DDAs prepared and approved	-	-	-	2
Affordable housing loans/grants completed	-	-	-	2
Substandard housing units improved or eliminated	-	-	-	4

In accordance with Section 29009 of the State Government Code, the entire unreserved fund balance must be appropriated each year. Accordingly, actual expenditures in this fund are typically less than budgeted. The amount not expended is carried over to the subsequent year's budget.

Estimated revenue in 2003-04 exceeds budget as a result of additional anticipated tax increment distributed into this fund being greater than the amount budgeted.

2004-05 BREAKDOWN BY EXPENDITURE AUTHORITY   **2004-05 BREAKDOWN BY FINANCING SOURCE**
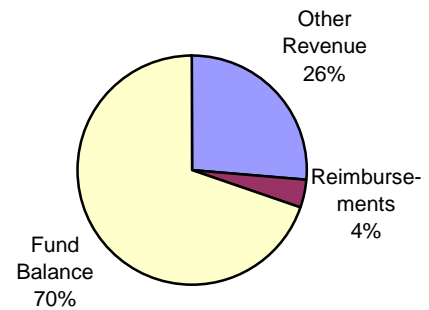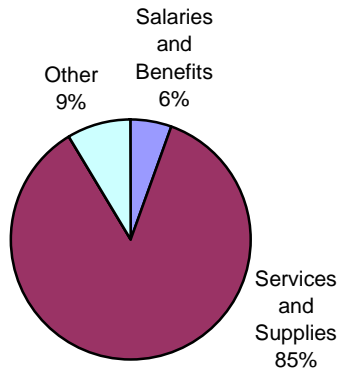
				GROUP:	Other Agencies	BUDGET UNIT:	SPF RDA
				DEPARTMENT:	Redevelopment Agency	FUNCTION:	General
				FUND:	Operating Fund	ACTIVITY:	Other General

ANALYSIS OF 2004-05 BUDGET

	A	B	C	D	E	B+C+D+E F	G	F+G H
	2003-04 Year-End Estimates	2003-04 Final Budget	Cost to Maintain Current Program Services (Schedule A)	Board Approved Adjustments (Schedule A)	Impacts Due to State Budget Cuts (Schedule B)	Board Approved Base Budget	Department Recommended Funded Adjustments (Schedule C)	2004-05 Proposed Budget
Appropriation								
Salaries and Benefits	212,548	263,965	16,306	-	-	280,271	128,846	409,117
Services and Supplies	1,806,697	6,693,744	-	500,000	-	7,193,744	(842,147)	6,351,597
Central Computer	800	558	-	-	-	558	(441)	117
Other Charges	11,000	20,000	-	-	-	20,000	28,000	48,000
Transfers	418,836	398,336	-	-	-	398,336	16,074	414,410
Total Exp Authority	2,449,881	7,376,603	16,306	500,000	-	7,892,909	(669,668)	7,223,241
Reimbursements	(293,620)	(304,856)	-	-	-	(304,856)	14,341	(290,515)
Total Appropriation	2,156,261	7,071,747	16,306	500,000	-	7,588,053	(655,327)	6,932,726
Oper Trans Out	85,942	-	-	-	-	-	180,534	180,534
Total Requirements	2,242,203	7,071,747	16,306	500,000	-	7,588,053	(474,793)	7,113,260
Departmental Revenue								
Use of Money & Prop	93,916	78,000	-	-	-	78,000	-	78,000
Total Revenue	93,916	78,000	-	-	-	78,000	-	78,000
Operating Transfers In	1,815,700	1,508,200	-	-	-	1,508,200	374,100	1,882,300
Total Financing Sources	1,909,616	1,586,200	-	-	-	1,586,200	374,100	1,960,300
Fund Balance		5,485,547	16,306	500,000	-	6,001,853	(848,893)	5,152,960
Budgeted Staffing		2.9	-	-	-	2.9	2.5	5.4

DEPARTMENT: Redevelopment Agency   SCHEDULE A
FUND: Operating Fund
BUDGET UNIT: SPF RDA

MAJOR CHANGES TO THE BUDGET

	Budgeted Staffing	Appropriation	Departmental Revenue	Fund Balance
2003-04 FINAL BUDGET	**2.9**	**7,071,747**	**1,586,200**	**5,485,547**
Cost to Maintain Current Program Services				
Salaries and Benefits Adjustments	-	16,306	-	16,306
Internal Service Fund Adjustments	-	-	-	-
Prop 172	-	-	-	-
Other Required Adjustments	-	-	-	-
Subtotal	-	16,306	-	16,306
Board Approved Adjustments During 2003-04				
30% Spend Down Plan	-	-	-	-
Mid-Year Board Items	-	500,000	-	500,000
Subtotal	-	500,000	-	500,000
Impacts Due to State Budget Cuts	-	-	-	-
TOTAL BASE BUDGET	**2.9**	**7,588,053**	**1,586,200**	**6,001,853**
Department Recommended Funded Adjustments	**2.5**	**(474,793)**	**374,100**	**(848,893)**
TOTAL 2004-05 PROPOSED BUDGET	**5.4**	**7,113,260**	**1,960,300**	**5,152,960**

SCHEDULE C

DEPARTMENT: Redevelopment Agency
FUND: Operating Fund
BUDGET UNIT: SPF RDA

DEPARTMENT RECOMMENDED FUNDED ADJUSTMENTS

Brief Description of Program Adjustment	Budgeted Staffing	Appropriation	Departmental Revenue	Fund Balance
1. Salaries and Benefits	2.5	128,846	-	128,846
Addition of 2.5 positions due to the increase in workload for three additional redevelopment project areas, (1.0) RDA Analyst ($78,222) and (1.5) extra help Graduate Student Interns ($45,150). Miscellaneous salary expense of $5,484 is also included.				
2. Other Professional and Specialized Services		318,000	-	318,000
Increase in San Sevaine Project Area expenditures for the cost of the proposed amended project areas.				
3. Other Professional and Specialized Services		(1,199,150)	-	(1,199,150)
Decrease based upon estimated Fund Balance.				
4. Other Professional and Specialized Services	-	39,003	-	39,003
Increase in County Counsel Cost for the proposed amended project area and other miscellaneous expenditures due to increase in staff.				
5. Central Computer Charges	-	(441)	-	(441)
Decrease in amount paid for data processing charges.				
7. Other Charges - Interest Paid	-	28,000	-	28,000
Increase in Interest paid on the RDA operating loan from the General Fund.				
8. Operating Transfers Out	-	180,534	-	180,534
Increase in transfers Out to Cedar Glen Operating budget unit (SPK CED, $125,878), Cedar Glen Housing budget unit (SPL CED, $49,341), and Mission Blvd Housing budget unit (SPM MIS, $5,315) to fund operating costs for the Cedar Glen and Mission Blvd Redevelopment Project Areas. This amount will be repaid to the San Sevaine Operating budget unit as tax increment revenue is available.				
9. Intra-Fund Transfers Out	-	16,074	-	16,074
Increase in transfers out for reimbursement of ED/PSG Administrative Support Services costs.				
10. Intra-Fund Transfers In	-	14,341	-	14,341
Decrease in transfers in from San Sevaine Housing, VVEDA, Cedar Glen, and Mission Blvd for reimbursement of Operating Costs of the RDA.				
11. Revenue from Operating Transfers in	-	-	374,100	(374,100)
Increase in Tax Increment revenue for the San Sevaine Project Area transferred from the Debt Service Fund.				
Total	2.5	(474,793)	374,100	(848,893)